

STATE OF SOUTH CAROLINA
BEFORE THE SOUTH CAROLINA PUBLIC SERVICE COMMISSION

DOCKET NO. _____

Application of MASTEC NETWORK SOLUTIONS, LLC)
For a Certificate of Public Convenience and Necessity)
to Provide Access and Local Exchange)
Telecommunications Services and for local service)
and for flexible regulation of local exchange service.)

MASTEC NETWORK SOLUTIONS LLC

Testimony of

RICARDO SUAREZ

1 Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND TELEPHONE
2 NUMBER.

3 A. My name is RICARDO SUAREZ. My business address is 806 S. Douglas Road, 11th
4 Floor, Coral Gables, FL 33134. My telephone number is (305) 702-9150

5 Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

6 A. I am the President of Mastec Network Solutions, LLC ("MasTec"), the Applicant in this
7 proceeding, and its parent company MasTec, Inc.

8 Q. WHAT ARE YOUR RESPONSIBILITIES WITH MASTEC?As President I am

9 A. responsible for MasTec's day-to-day operations, excluding sales and marketing, for
10 the company's ongoing profitability. I also oversee the financial responsibility of
11 the Applicant.

12 Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND,
13 PROFESSIONAL EXPERIENCE.

14 I have extensive professional and industry specific experience necessary to ensure
15 MasTec's continued success. I hold a Florida Atlantic University – Bachelor of
16 Science, Electrical Engineering and a University of Miami - Master's in Business
17 Administration as well as a University of Miami - Master's in Industrial Engineering. I
18 worked as an engineer for many years before choosing to move into construction
19 management, overseeing thousands of technicians. I wanted to work with the
20 people who were building what I designed, foregoing a progression into the corporate
21 workforce. I joined Mastec Network Solutions in 2011 and have continued to
22 build upon my reputation as a compassionate leader, always ensuring the best for
23 employees and customers by instilling an employee covenant built on mutual respect
and trust. I have

1 personally experienced every facet of the telecom industry helped me develop into
2 a leader known for my deep appreciation of MasTec's employees and the challenging
3 work they perform every day.

4 **Q. HAS MASTEC REGISTERED TO DO BUSINESS IN SOUTH CAROLINA?**

5 **A.** Yes, MasTec has obtained authorization from the South Carolina Secretary of State.

6 **Q. ARE YOU FAMILIAR WITH THE APPLICATION SUBMITTED BY YOUR**
7 **COMPANY TO THIS COMMISSION?**

8 **A.** Yes, I am.

9 **Q. DID YOU HAVE HELP IN PREPARING THIS TESTIMONY?**

10 **A.** Yes, I did. A consultant specializing in establishing telecommunications certifications,
11 Joseph Isaacs, aided in the preparation of my testimony.

12 **Q. DO YOU CONFIRM THE STATEMENTS AND REPRESENTATIONS MADE IN**
13 **THAT APPLICATION?**

14 **A.** Yes, I do.

15 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

16 **A.** My testimony addresses MasTec's practices and proposed South Carolina services,
17 and demonstrates that MasTec possesses the financial, technical, managerial,
18 and operational capabilities to operate as a provider of competitive access and local
19 exchange services in South Carolina, as well as MasTec's intent to comply with all
20 applicable Commission regulations.

1 **Q. PLEASE DESCRIBE THE AUTHORITY THAT MASTEC SEEKS FROM THE**
2 **COMMISSION.**

3 **A.** MasTec seeks a certificate of authority to provide facilities-based local exchange and
4 Access telecommunications services throughout the State of South Carolina. MasTec
5 proposes to provide its services as a carrier's carrier utilizing its network within the State
6 of South Carolina.

7 **Q. HAS MASTEC OR ITS AFFILIATES BEEN AUTHORIZED TO PROVIDE**
8 **SUCH SERVICE IN ANY OTHER JURISDICTIONS?**

9 **A.** Yes, MasTec is authorized to provide such services in Florida and Washington. MasTec
10 currently has pending petitions in Louisiana, Illinois, Alaska and Hawaii.

11 **Q. HAS MASTEC EVER BEEN DENIED AUTHORIZATION BY A STATE**
12 **REGULATORY AGENCY?**

13 **A.** No, MasTec has never been denied authorization by any State or Federal regulatory
14 agency.

15 **Q. HAS MASTEC PROVIDED SERVICE UNDER ANY OTHER NAME?**

16 **A.** MasTec provides telecommunications construction services under the name of its parent
17 company "Mastec, Inc".

18 **Q. HAVE ANY COMPLAINTS OR JUDGEMENTS BEEN LEVIED AGAINST THE**
19 **COMPANY?**

20 **A.** No complaints or judgments have been levied against the company.

1 **Q. PLEASE DESCRIBE THE CORPORATE STRUCTURE OF MASTEC**

2 **A.** MasTec is a Limited Liability Company organized under the laws of the State of
3 Florida. MasTec is a member managed LLC and its one and only member is its
4 parent company, Mastec Inc (a publicly traded entity) A copy of the Articles of
5 Organization are attached to MasTec's application as Exhibit "A". MasTec currently
6 employs over 2,500 individuals in administration, sales and marketing, accounting,
7 and operations. MasTec has not or does not currently provide local service in South
8 Carolina under any other name. MasTec is a wholly owned subsidiary of Mastec, Inc.

9 **Q. PLEASE ADDRESS MASTEC'S MANAGERIAL AND TECHNICAL**
10 **QUALIFICATIONS.**

11 **A.** MasTec possesses the managerial and technical qualifications to provide local
12 exchange and Interexchange telecommunications service in South Carolina. MasTec's
13 management team has considerable experience in marketing, network operations,
14 financial analysis/accounting, customer service, training, sales, regulatory, and
15 other relevant areas. A description of the telecommunications experience and
16 expertise of MasTec's key management personnel is attached to MasTec's application
17 at Exhibit "D". As the resumes of MasTec's key personnel reflect, these individuals
18 have substantial experience in various aspects of telecommunications operations.
19 Each member of MasTec's management team will draw upon his or her own
20 experience, as well as the collective experience of the entire management team, to
21 ensure that MasTec is managed and operated efficiently and profitably.

1 **Q. PLEASE DESCRIBE MASTEC'S FINANCIAL QUALIFICATIONS.**

2 **A.** MasTec is financially qualified to provide the proposed telecommunications services
3 within South Carolina. (Please see Financial Statements of its parent company attached to
4 the Application).

5 **Q. PLEASE DESCRIBE THE TYPES OF SERVICES THAT MASTEC PROPOSES**
6 **TO OFFER IN SOUTH CAROLINA.**

7 **A.** MasTec seeks authority to provide competitive local exchange and Access
8 telecommunications services through the utilization of its own networks. MasTec
9 intends to offer data communications and fiber optic services as a carrier's carrier.

10 **Q. HOW WILL MASTEC PROVIDE THESE SERVICES?**

11 **A.** MasTec will utilize the infrastructure it plans to build to service other carriers
12 throughout the State of South Carolina. MasTec currently plans to own facilities in
13 South Carolina in the future, and thus seeks authority to provide both facilities-
14 based and access telecommunications services in South Carolina.

15 **Q. WHAT GEOGRAPHIC AREAS WILL MASTEC SERVE?**

16 **A.** MasTec seeks authority to provide facilities-based local and access services throughout
17 the state of South Carolina. However, MasTec requests statewide authority so that it
18 may expand its service areas in the future as market conditions warrant.

19 **Q. HOW DOES MASTEC INTEND TO MARKET ITS SERVICES?**

20 **A.** MasTec intends to utilize in-house marketing staff as well as outside salespersons and
21 agents.

1 Q. HOW WILL MASTEC RESPOND TO CUSTOMER INQUIRIES AND
2 COMPLAINTS?

3 A. MasTec will mainly deal with other carrier's so the typical customer service to end
4 users won't be necessary at this time.

5 Q. WHO IS THE PERSON WITHIN MASTEC THAT IS RESPONSIBLE FOR THE
6 HANDLING OF CONSUMER COMPLAINTS, INCLUDING THOSE THAT
7 MAY BE FORWARDED TO THE COMPANY BY THIS COMMISSION?

8 A. Initially, I will assume overall responsible for handling consumer complaints.

9 Q. IF AUTHORIZED TO PROVIDE COMPETITIVE TELECOMMUNICATIONS
10 SERVICES, WILL MASTEC ABIDE BY THE RULES, REGULATIONS,
11 POLICIES AND ORDERS OF THIS COMMISSION, AND THE LAWS OF THE
12 STATE OF SOUTH CAROLINA, IN ITS PROVISION OF COMPETITIVE
13 INTRASTATE LOCAL EXCHANGE AND INTEREXCHANGE SERVICES, AS
14 NOW ADOPTED OR THAT MAY BE ADOPTED?

1 **A.** Yes we will. As an existing player in the competitive local service industry, MasTec
2 will provide service in the State in full compliance with any and all rules and regulations
3 that have been or may be adopted relating to the provision of local exchange and
4 Interexchange services, as well as any other applicable state or federal rules, regulations,
5 or statutes. For example, MasTec will comply with any requirements that the
6 Commission and/or the State of South Carolina may feel are necessary to preserve and
7 advance universal service, protect the public safety and welfare, ensure the continued
8 quality of local services, and safeguard the rights of consumers. MasTec will also
9 comply with all statutory and Commission requirements including the filing of tariffs;
10 customer notification of rate increases; customer billing and credit issues; access to 9-1-1
11 services; access to telecommunications for persons with disabilities; pay-per-call
12 services; and the filing of regulatory reports and the payment of regulatory assessments,
13 the preservation of records and procedures governing the establishment of credit, billing,
14 deposits, termination of service, and issuance of telephone directories. MasTec does not
15 plan to offer pay per call services.

1 **Q. DID MASTEC REQUEST ANY WAIVERS IN ITS APPLICATION?**

2 **A.** Yes, MasTec has requested waivers from any requirements that its financial records be
3 maintained in conformance with the Uniform System of Accounts. We currently maintain
4 our records in accordance with GAAP; and therefore, do not possess the detailed cost
5 data required by USOA. In addition, we requested a waiver of 26 S.C. Reg. 103-610's
6 requirement that our books be kept in South Carolina. Our records are
7 currently maintained in Florida at our corporate facility. Maintaining its books and
8 records in South Carolina would be unduly burdensome. MasTec has a registered
9 agent in South Carolina and will bear any costs associated with the Commission's
10 inspection of its books and records. As a carrier's carrier we also requested to be
11 exempt from the publication of a local directory. Because its service territory will
12 mirror those of the incumbent's, MasTec has requested a waiver of the map filing
13 **Q.** requirement.

14 **WILL MASTEC'S USE OF GAAP PROVIDE SUFFICIENT DETAIL FOR**
15 **A. THE CALCULATION OF APPLICABLE TAXES?**

16 MasTec will maintain sufficient detail to facilitate the calculation of applicable taxes
17 including the preparation of the South Carolina Gross Receipt Tax returns. It's parent
18 company is publicly traded so 10-Q's and 10-k's are always available through the link
19 **Q.** provided within the Application.

20 **DID MASTEC REQUEST FLEXIBLE REGULATORY TREATMENT FOR ITS**
LOCAL EXCHANGE SERVICES?

1 A. Yes, the Company will be a non-dominant, competitive provider of local exchange
2 telecommunications services. Therefore, we request that the Commission regulate our
3 company in the same relaxed fashion authorized in Order No. 98-165 in Docket No. 97-
4 467-C and extended to other similarly situated carriers. We understand that the flexible
5 regulatory treatment requires that we file maximum rates for our service offerings. Local
6 tariff filings would be presumed valid once they are filed subject to the Commission's
7 right to investigate the filing within thirty (30) days.

8 Q. **HOW WILL SOUTH CAROLINA CONSUMERS BENEFIT FROM MASTEC**
9 **SERVICES?**

10 A. Granting of MasTec's Application will introduce a telecommunications service
11 provider committed to providing high quality, innovative, and technologically
12 advanced services that will further increase telecommunications services in South
13 Carolina. MasTec's network will utilize state-of-the-art technology. MasTec's service
14 offerings will increase consumer choice, improve the quality and efficiency in
15 telecommunications services and will likely lead to the reduction of consumer costs, as
16 well as stimulate development of additional services by providing competitive
17 incentives to other providers. Thus, granting MasTec's application is in the public
18 interest.

1 **Q. HOW WILL MASTEC GUARD AGAINST SLAMMING?**

2 **A.** As a new competitive entrant into the market, MasTec has never had an incident of
3 slamming or any other form of customer complaint. MasTec will comply with South
4 Carolina law and the recently revised Federal Communications Commission's ("FCC's")
5 regulations regarding how carriers may change a consumer's local exchange carrier or
6 Primary Interchange Carrier ("PIC"), pursuant to 47 C.F.R. §64.110 *et seq.*. In general,
7 primary local exchange carrier or PIC changes will require the customer's signature.

8 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

9 **A.** Yes, it does. I reserve the right, however, to amend or modify my testimony, as
10 appropriate.